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Controller Releases September Cash Flow Figures

SACRAMENTO – State Controller John Chiang today released his monthly report detailing California’s cash balance, receipts and disbursements in September and through the first three months of the 2007-08 fiscal year.

“September’s receipts were light, missing State Budget projections by more than \$300 million,” said State Controller John Chiang. “Without the ability to make mid-year corrections, any rough spots in the General Fund will make next year’s budget all the more challenging.”

Actual General Fund revenue receipts in September were \$322 million, or 3 percent, below the 2007-2008 Budget Act estimate for that month. Personal income tax receipts in September were \$24 million, or 0.4 percent, above estimates, while retail sales tax receipts were down \$181 million, or 8.1 percent, below the Budget Act estimate for September. Also down were corporate taxes, coming in \$37 million, or 1.6 percent, below the Budget Act estimate.

Estimated taxes paid in September are an important indicator of anticipated tax obligations for the entire fiscal year. Estimated income tax receipts were down 0.3 percent, while estimated corporate tax receipts were down 0.8 percent from the Budget Act’s September projections.

The State spent \$1.9 billion more than it received in September – but deficits at this point are not unusual as a disproportionate share of the State’s revenues come in during the last four months of a fiscal year, while a large percentage of disbursements occur in the first eight months.

The State started the fiscal year with a \$2.5 billion cash balance, leaving a net cash deficit of \$7.7 billion as of September 30. However, that cash deficit is covered by internal borrowing. The State has \$8.5 billion in unused borrowable resources.

The [financial statement](#) and the [summary analysis](#) can be found on the Controller’s Web site at www.sco.ca.gov.

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